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Board of Supervisors Continues its Momentum to Address Homelessness

- *County directive to expedite 11 housing projects for the \$70.5 million MHSA funding allocation*
- *Unveiled the Housing Funding Strategy to develop 2,700 housing units*
- *Declaration from the County to receive approximately \$15.5 million in state Emergency Homelessness Aid Block grants*

Santa Ana, Calif. (June 12, 2018) – Today the Orange County Board of Supervisors approved a County directive to expedite 11 housing projects in the pipeline for Mental Health Services Act (MHSA) funding, unveiled a Housing Funding Strategy to develop 2,700 housing units and paved the way to receive approximately \$15.5 million in state Emergency Homelessness Aid Block Grant funding by declaring a Homeless Shelter Crisis.

“Today’s board action represents ongoing progress to leverage state resources to meet local objectives. Our continued goal is to build a system of care, in collaboration with our city partners, that is responsive to the needs of homeless individuals in helping them transition out of homelessness,” said Chairman Andrew Do, First District Supervisor.

Overview: County directive to expedite 11 housing projects for the \$70.5 million MHSA funding allocation

The Board of Supervisors voted to expedite housing projects in the pipeline for MHSA funds.

The plan does the following:

- Identifies 11 current housing projects from our housing partners across the county that have been awarded or applied for funding through OC Community Resources’ (OCCR) Notice of Funding Availability (NOFA), the Special Needs Housing Program (SNHP), or both.
- Maps the geographic locations of each of these current housing projects according to the Service Planning Areas.
- Provides four recommendations on how to best expend MHSA funding for current and future projects.

The four recommendations are as follows:

1.) Current Projects

After working with cities and developers, the County identified 11 projects in the NOFA and Special Needs Housing Program pipeline that have various terms of financing and stages of development



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and need additional funding. The Board's commitment of \$13 million will allow these projects to proceed to the development and construction phases, resulting in 451 housing units, which include 99 units designated for MHSA/SNHP.

"We are committed to working with cities and developers to identify additional housing projects for homeless individuals in our county. Helping expedite these 451 units demonstrates the County's commitment to this effort," said Vice Chairman Shawn Nelson, Fourth District Supervisor.

2.) New/Upcoming Projects

The County also will allocate additional funds to California Housing Finance Agency (CalHFA) for SNHP funding.

"The County is committed to ensuring suitable sites and projects are found and completed in collaboration with our partner cities. Both cities and the County need to continue to work together to provide a regional response to homelessness," said Supervisor Michelle Steel, Second District.

3.) Recruitment of New Projects

The County will open a continuous Request for Information to coordinate the creation of additional Permanent Supportive Housing. The County, and OCCR specifically, has the charge to advise and assist its partners on how to best leverage and match various federal, state and local funding sources in order to ensure coordination aligns with the County's housing strategy. As such, funding sources will not be limited to only the MHSA funding source.

"This kind of housing takes people permanently off the street and ensures greater success through the use of permanent housing. This combined strategy of shelters to permanent housing is the best way to successfully move toward a greater impact of ending homelessness," said Supervisor Todd Spitzer, Third District.

4.) Housing Referrals

Given the County investments in the creation of housing for homeless populations through this initiative, housing referral preference will be granted to the Orange County Continuum of Care Coordinated Entry System. This assists homeless persons who meet project specific eligibility criteria (Veterans, Serious Mental Illness, Seniors, etc.) and are prioritized within the Service Planning Area of a project's location. The Coordinated Entry System will ensure effective response coordination while aligning with the objective of reducing homelessness regionally.

Overview: Housing Funding Strategy to develop 2,700 housing units

The Board of Supervisors also approved the Housing Funding Strategy, presented by OC Community Resources and developed in conjunction with the Corporation for Supportive Housing.

Of note in the report is the goal of producing 2,700 units of supportive housing with the additional need for 2,700 units of affordable housing options for people experiencing homelessness. The County intends to work with the 34 cities to align regional policies to prioritize supportive housing for local and regional resources, including helping leverage federal, state and local funding.



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For more information about the Housing Funding Strategy, please [click here](#).

“Homelessness is a complex, regional issue that requires everyone to work together. We look forward to continuing to work with our cities and our private and nonprofit sector partners in finding long-term solutions that are mutually beneficial for all of our residents,” said Supervisor Lisa Bartlett, Fifth District.

Overview: Declaration from the County to receive approximately \$15.5 million in state Emergency Homelessness Aid Block grants

The state’s budget includes \$500 million in State General Fund monies for emergency homeless aid in one-time block grants to cities and counties via the Continuum of Care to address homelessness through the construction or operation of emergency shelters, rapid rehousing, homelessness prevention services, and other currently unspecified activities. In order for the County of Orange to be eligible for these funds, it must declare a shelter crisis pursuant to [Government Code Section 8698](#), and demonstrate city-county coordination.

The Homelessness Emergency Aid Program has \$250 million to be allocated to Continuum of Care jurisdictions based on 2017 point in time homeless count results. The anticipated funding from the State of California to the County of Orange from this block grant would be approximately \$15.5 million. In addition, the two cities within Orange County with populations over 330,000 will receive their own separate allocations totaling approximately \$9.9 million.

Applications for the first round of awards are due on December 31, 2018, and 100 percent of the funds must be expended by June 30, 2021.

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Background Information: California voters passed Proposition 63, known as the Mental Health Services Act in November 2004. The act placed a 1 percent state tax on individual income over \$1 million to expand and improve voluntary mental health programs. More details about the County’s MHSA Program and funding are available as part of the Orange County [MHSA Fact Sheet](#) and on the [HCA MHSA webpage](#).

Infographic 1

Infographic 2



ORANGE COUNTY HOUSING FUNDING STRATEGY

Supportive Housing is...

Affordable housing with voluntary support services for people who are homeless with specialized needs, like those with disabilities. The services are designed to build independent living skills and connect people with community-based services to promote self-sufficiency.

Number of Unsheltered Individuals

4,792 TOTAL

UNSHELTERED



2,584

POINT-IN-TIME COUNT AS OF JANUARY 28, 2017

SHELTERED

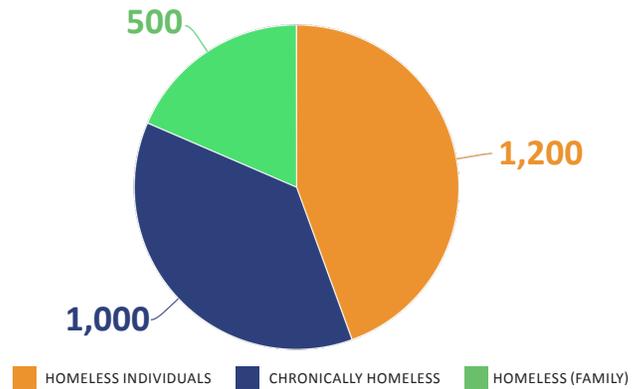


2,208

Supportive Housing Need

2,700 SUPPORTIVE HOUSING UNIT GOAL

ESTIMATED NEED BY POPULATION



Opportunities for Funding

In planning to create 2,700 units of supportive housing, there is a funding “gap” estimated at \$703 million for capital expenses and operating subsidies, along with an additional gap in resources to provide services in supportive housing.



CAPITAL EXPENSES
= \$353M



RENTAL/OPERATING
SUBSIDY GAP = \$350M

EXAMPLES OF EXISTING CAPITAL AND RENTAL/OPERATING FUNDS

LOCAL CONTROL: Housing Successor Agency, HOME Investment Partnerships Programs, Community Development Block Grant Program, Mental Health Services Act, and Project-Based Vouchers;

STATE CONTROL: Low-Income Housing Tax Credits, Veterans Housing and Homeless Prevention Program and Affordable Housing and Sustainable Communities Program

OPPORTUNITIES TO FURTHER FILL THE GAP

STATE LEGISLATION: California Senate Bill (SB) 2, No Place Like Home, SB 3, SB 912 and State Budget-Homeless Emergency Aid Block Grant funding

Partnerships Required



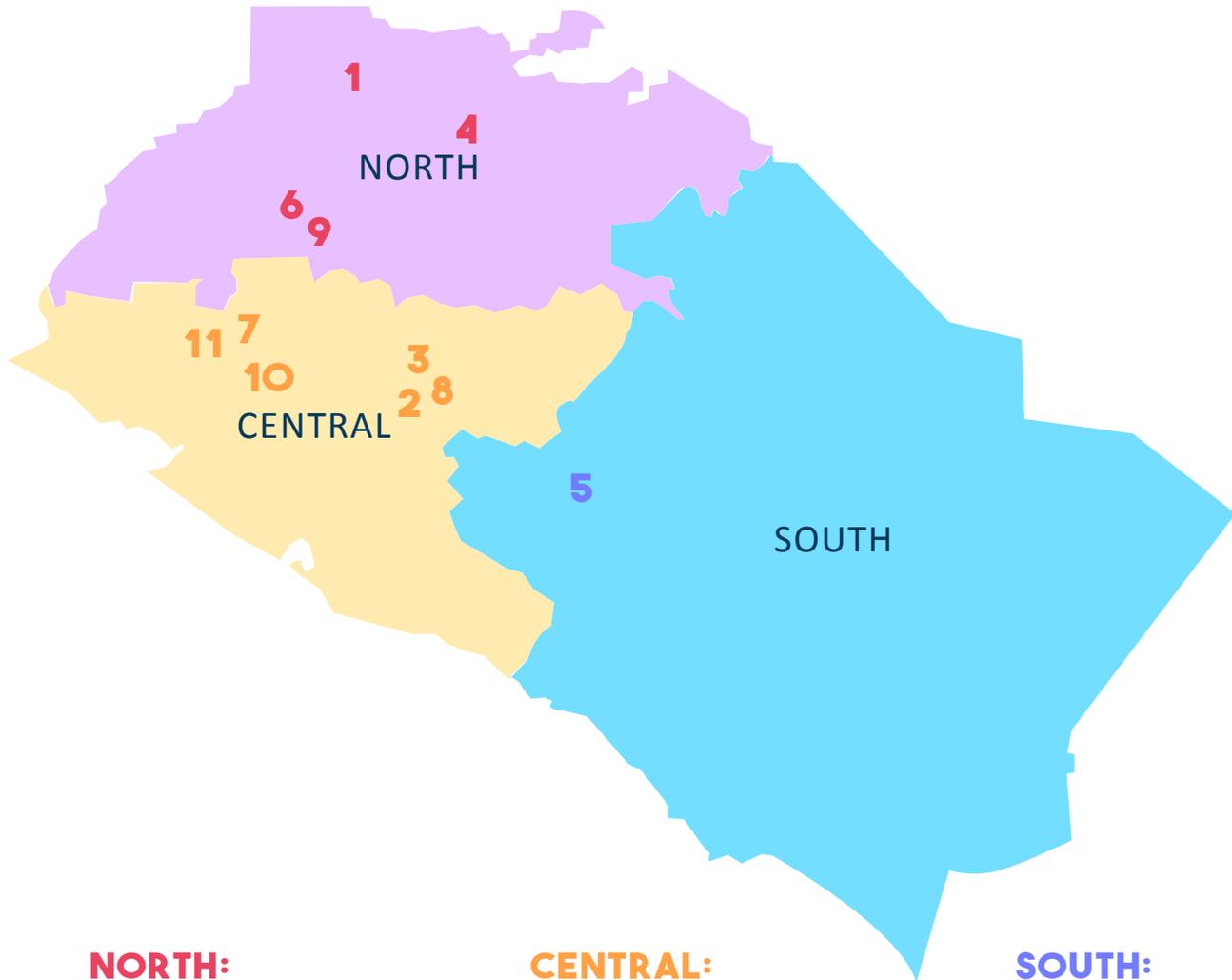
In order to achieve this goal, the County will collaborate with cities, nonprofits, housing developers and other community-based organizations to make supportive housing sustainable.



ORANGE COUNTY

SUPPORTIVE HOUSING STRATEGY

Current Project Locations According to Service Planning Areas



NORTH:

- 1. Fullerton Motel Conversion (10)
- 4. Placentia Vets Village (50)
- 6. Jamboree PSH (70)
- 9. Anaheim Vets (TBD)

CENTRAL:

- 2. Santa Ana Vets Village (76)
- 3. Aqua (57)
- 7. Della Rosa (50)
- 8. Santa Ana Art Collective (58)
- 10. Midway City (TBD)
- 11. Westminster & Locus (TBD)

SOUTH:

- 5. Cypress Village (80)

TOTAL NUMBER OF UNITS: 451

NUMBER OF UNITS FUNDED THROUGH MHSA/SNHP: 99